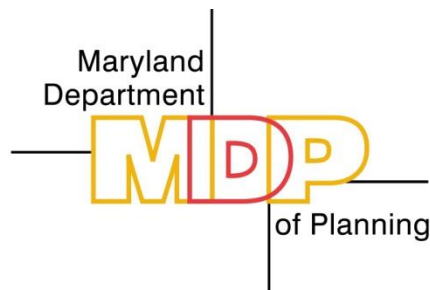




## Maryland Heritage Areas Authority

# MARYLAND HERITAGE AREAS AUTHORITY GRANTS PROGRAM

# MANAGEMENT GRANT INSTRUCTIONS Fiscal Year 2015



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## INTRODUCTION

The Maryland Heritage Areas Authority (MHAA) Grant Program is a source of funding designed to assist and encourage the preservation of historical, archeological, natural, and cultural resources and **support economic development through heritage tourism** within heritage areas certified by the Maryland Heritage Areas Authority. Heritage area grant awards are made from the MHAA Financing Fund, a non-lapsing, revolving fund into which up to \$3 million is deposited annually. The following is general information about the Heritage Areas Grant Program and instructions for completing the Certified Heritage Area Management Grant application package.

***Heritage Tourism is traveling to experience the places and activities that authentically represent the stories and people of the past and present. It includes historic, cultural and natural resources.***

*– National Trust for Historic Preservation*

## DISCLAIMERS

Each applicant shall comply with all applicable Federal, State, and Local laws and Departmental policies and programs regarding drug, alcohol, and smoke free work places, disabled access and equal opportunity in employment, housing, credit practices and prohibiting discrimination on the basis of race, color, creed, religion, national origin, gender, marital status, familial status, or physical and/or mental disabilities in any aspect of the grant project.

Please be advised that in accordance with provisions of Executive Order 01.01.1983.18, if your application contains any information that may constitute personal information as defined below, you should be aware of the following:

1. Any personal information ("personal information" means any information about a natural person or his/her immediate family which identifies or describes any characteristics including but not limited to education, financial transactions or worth, medical history, criminal or employment record or things done by or to that natural person or his/her immediate family) requested by the Maryland Heritage Areas Authority (MHAA) and supplied by the applicant will be used principally for MHAA's determination of the feasibility of the application;
2. Failure to accurately and adequately supply requested information may seriously jeopardize MHAA approval of the application;
3. MHAA will permit the subjects of any personal information in an application to inspect, amend, and correct such personal information;
4. Any document supplied to or obtained by MHAA may be a public record generally available for public inspection under the Maryland Public Information Act and COMAR 05.01.02; however, under the Maryland Public Information Act trade secrets, information privileged by law, confidential commercial data, and records describing an individual person's finances may not be disclosed; and,

**Personal information supplied to MHAA in an application may be shared with other state, local, or federal government agencies involved with the proposed financing or project.**

## **ELIGIBLE APPLICANTS**

Eligible applicants include the following:

- **Non-profit organizations and local jurisdictions** that have been identified as **management entities** of Certified Heritage Areas (CHAs).
- **Non-profit organizations and local jurisdictions** to which certified heritage area (CHA) management responsibilities have been delegated by a CHA management entity.

Non-profit organizations must be in good standing, qualified to do business in Maryland, and have the legal capacity and authority to incur obligations under the grant program.

## **ELIGIBLE ACTIVITIES**

To be eligible for a management grant under the Maryland Heritage Areas Authority Grant Program, the proposed activities must be consistent with the goals, objectives, strategies, and actions outlined in the approved Management Plan for the applicant Certified Heritage Area (CHA). Management grant funds may be awarded for activities/expenses that are directly related to CHA management entity staffing, operating expenses, and provision of management services, including:

- Salary and benefit expenses for CHA staff; employer taxes
- Contracted services (e.g. planning consultant, bookkeeping, payroll/accounting services, design services, e-newsletter hosting & archiving services)
- Printing (e.g. newsletters, plans, annual reports, CHA-specific brochures)
- Postage
- Telephone (land line and cell phone/mobile devices. For full-cost reimbursement devices must be used solely or primarily for CHA management purposes. If the device will also be used for non-CHA purposes, costs must be pro-rated to reflect only the portion attributable to CHA use)
- Website maintenance (hosting and routine updates of CHA website - does not include major changes and new website development); if major changes or new website development is contemplated, please contact MHAA staff to determine eligibility for management grant funds.
- Staff training and conferences (e.g. conference attendance, attending training workshops). The training or conference must be directly related to CHA duties performed by staff members.)
- Expenses of workshops/training hosted by CHA (e.g. grants training workshops for partner organizations, site docent training)
- Equipment purchase, lease, installation and maintenance (e.g. computers, office furnishings, copiers, etc. For full-cost reimbursement equipment must be used solely or primarily for CHA management purposes; if equipment will also be used for non-CHA purposes, costs must be pro-rated to reflect only the portion attributable to CHA use. Computer equipment is generally expected to have a minimum 3-year lifespan before

replacement.)

- Software purchase, lease, updates (software must be required for the conduct of CHA management programs and functions)
- Utility Costs for CHA office space
- Travel and transportation expenses related to CHA activities
- CHA-related memberships and dues
- Insurance
- Audits
- General Office Supplies
- Fundraising/development activities - Recurring, large-scale fundraising events such as annual festivals or concert series generally should be funded through a Programming grant.

***If other types of CHA activities/expenses are contemplated, please contact MHAA staff to determine eligibility.***

*NOTE: Strategy 2.3 of the MHAA Strategic Plan requires CHAs to establish a Development Committee as a part of their board of directors, and to create a CHA Development Plan. As steps to meet these requirements are still underway in many CHAs, having a Development Plan and Development Committee in place will **not** be required in FY 15 to receive funding for fundraising/development activities. If a CHA currently has a Development Plan in place, the proposed activities should conform to the goals, objectives, strategies, and actions outlined in that plan. In future years, this will be a requirement for any fundraising/development activities.*

In addition, **heritage areas may set aside up to 25%, but not more than \$10,000, of a Certified Heritage Area management grant for discretionary purposes.** These funds may be used by the heritage area to provide assistance to heritage area partners (for example through a mini-grant program), to support one or more **non-capital** projects, or to pay for other non-capital expenses that support the goals and objectives of the heritage area management plan. All standard MHAA requirements for matching funds must be met for management funds utilized for discretionary purposes.

### **INELIGIBLE EXPENSES AND ACTIVITIES**

**Management grant funds may not be used to pay for the following:**

- **Capital activities;**
- **Marketing activities eligible for funding through an MHAA Marketing grant (however, discretionary funds for mini-grants may be utilized to support marketing activities by non-profit organizations and local jurisdictions other than Heritage Area management entities); or**

- **Programming activities eligible for funding through an MHAA Project grant.**

## **PROJECT SELECTION CRITERIA**

See **Appendix A** for the list of criteria that are considered when applications are reviewed.

## **APPLICATION SUBMISSION AND DEADLINE**

Management Grant applications are submitted directly to MHAA. FY14 applications must be submitted to MHAA by no later than **11:59 p.m. on April 4, 2014.**

## **GRANT AMOUNTS AND MATCHING FUND REQUIREMENTS**

Certified Heritage Area management entities may apply for up to **\$100,000** in management grant funds. **This amount is contingent upon sufficient funding being made available in the Maryland Heritage Areas Authority Financing Fund.**

All grants must be matched in an amount at least equal to the grant (dollar-for-dollar match). The match must consist of a **cash contribution/match equal to at least 75 PERCENT of the grant amount requested from MHAA. No more than 25 PERCENT of the match can be in-kind contributions.**

### **Ineligible Match:**

- State of Maryland Funds
- Expenditures made prior to the award of the grant or after the completion of the grant period

### **Examples of Cash Match:**

- Cash expenditures
- Support from a non-state grant or loan fund
- Proceeds from fundraising that are expended for eligible management activities.

### **Examples of In-Kind Match:**

- Volunteer time for work related to CHA management activities (see [http://independentsector.org/volunteer\\_time](http://independentsector.org/volunteer_time) for current value of volunteer time in Maryland)
- Donated professional services (can be valued at their professional rate, but only if working on CHA management activities in their professional role (e.g. accountant providing donated accounting services))
- Donated materials/supplies
- Donated office facilities

### **Documentation of Match**

Applicants are strongly encouraged to have all required matching funds in-hand, or firmly committed at the time of application, and **MUST have provided documentation of all required cash match to MHAA by June 15, 2014 in order to be eligible for grant funding.**

Acceptable documentation of match can include:

- Financial or Bank Statement from applicant organization with letter committing funds in the amount required
- Letter of commitment from donor of money, in-kind services or staff time
- Award letter or grant agreement for a non-state grant that will be used as match
- Approved budget from a non-state governmental agency documenting funds are budgeted for eligible management activities

***Did you know?***

If the primary source(s) of matching funds will not be in-hand or committed by the deadline, grant applicants may submit documentation of an alternate source of match that can be utilized in the event the anticipated primary source of match falls through.

**Questions regarding acceptable match and match documentation should be addressed to MHAA staff.**

### **Other Project Costs (“Over Match”)**

If total management cash expenditures and in-kind match are expected to exceed the total grant request and required match, those additional funds should be listed on the application budget as Additional Grantee Contributions. Review criteria used by MHAA take into consideration whether or not grant-funded activities significantly leverage more funds than the required dollar-for-dollar match. **Applicants are not required to provide documentation for Other Project Costs.**

### **GRANT TERMS AND CONDITIONS**

All grantees will be required to enter into a grant agreement with the MHAA, which generally contains the following standard terms and conditions. See **Exhibit B** for full terms and conditions – the following is a summary of the terms which generally apply to projects.

- Grant term – no more than 24 months
- Reporting – a mid-project and a final report with full financial documentation
- Disbursements – no more than three, specified in the grant agreement
- Disbursement Requests – must identify all costs incurred to date; financial documentation is required with Final Report – See [http://mht.maryland.gov/documents/PDF/Grants\\_Admin\\_FinancialResp\\_092009.pdf](http://mht.maryland.gov/documents/PDF/Grants_Admin_FinancialResp_092009.pdf)
- Procurement –
  - >\$500 and <\$10,000 – written bids from 2 or more vendors is encouraged
  - >\$10,000 – 3 written bids required
  - Not required to accept lowest bid

- Sole source procurement must be justified
- Nondiscrimination and Compliance with Applicable Laws – must comply with all applicable laws
- Acknowledgment – must acknowledge MHAA and Local Heritage Area support as required in grant agreement
- Compliance Review – Capital grants, signage and archeology projects are subject to review by the MHT Project Review and Compliance Unit

## **GRANT SCHEDULE**

### **Full Application –**

- Due **11:59 p.m. on April 4, 2014**

### **TAC Review and Ranking –**

- Complete applications are forwarded to the MHAA Technical Advisory Committee (TAC) for review and ranking.
- TAC recommendations are forwarded to MHAA for review and final action at their July meeting.

### **Grant Awards –**

- MHAA takes final action on grant awards on **July 10, 2014**.
- Applicants are notified by email
- If awarded, the grant period begins **July 10, 2014** and all project work can begin that day.

## **APPLICATION FORMAT**

All applications must be submitted online. All online grant materials are available here <http://mht.maryland.gov/grants.shtml>. **See the Quick Start Guide on the MHT grants page for full details on the online submission process.**

Applicants will be required to upload (or submit by mail) the following supporting documents with their applications:

- A detailed **budget** (See **Appendix C** for sample budget)
- **Resumes of key project personnel** (staff and consultants)
- **Proof of matching funds** (if not available, must be provided no later than **June 15, 2014**)
- **Proof of Nonprofit Status** (if applicable) (see **Appendix D**)
- **Organizational Documents** (if applicable) – Bylaws, Articles of Incorporation, Constitution, Charter
- **Letters of Support (at least 3) – At least three letters of support** for the grant application must be submitted, including at least one letter of support from each of the following: a **State Senator**, **State Delegate**, and **local governmental official** representing the area in which the project will occur.



## **APPENDIX A - PROJECT SELECTION CRITERIA**

The following criteria will be considered by MHAA reviewing management grant proposals:

### **CONSISTENCY WITH HERITAGE AREA MANAGEMENT PLAN AND/OR FIVE YEAR PLAN**

- Are the planned activities of the heritage area consistent with the Management Plan and/or Five Year Plan?

### **ANNUAL WORK PLAN**

- Will the planned activities of the heritage area significantly contribute to fulfilling the goals of the MHAA Program?
- Are project objectives and the methods to accomplish those objectives clearly stated?
- Are there objectives in all three of the categories of activity – **Product Development, Building Partnerships** and **Sustaining Regional Identity**?

### **PROJECT DESIGN**

- Does the budget contain the necessary expenditures to accomplish the tasks outlined?
- Are the costs outlined in the project budget reasonable and customary given the goals of the project and for the services or products being obtained?
- Will a standard procurement process be followed?
- Are the costs in the budget broken down in detail (e.g. rate X hours, # of items x cost per item)?
- Are all items in the budget clearly related to the products, activities and work described in the Scope of Work?
- Is the match firm and clearly documented or is some or all of the match not in hand?
- Does the project or its products significantly leverage local and/or private investment; is significantly more match leveraged than the required (required = dollar-for-dollar @ 75% cash, max.25% in-kind)?

### **PROJECT MANAGEMENT**

- Are project personnel (if known) appropriately qualified?
- If known, has the applicant received previous MHAA or other grants that demonstrate good administrative capability (e.g. completes project on schedule, submits required progress reports on time, and maintains good financial records & control)?
- Does the applicant have other open MHAA grants from previous fiscal years? Have previous grants required repeated extensions due to circumstances within the applicant's control?

### **DELIVERABLES**

- Is it clear what the products/results of the project will be?
- What is the lifespan of the outcomes of the proposed project, and have all ongoing costs and maintenance been accounted for?

## **APPENDIX B - GRANT TERMS AND CONDITIONS**

All grantees will be required to enter into a grant agreement with the MHAA, which generally contains the following standard terms and conditions:

- **Grant Term** - All grant funds generally must be expended within no more than 24 months of the date the grant agreement is signed by all parties, unless the Grantor agrees to a longer term or approves in writing an extension of the grant period. Written progress and final reports must be submitted to the Grantor during the grant term, generally at the mid-point and end of the project (grant agreements will specify reporting requirements). The Grantee may also be required to submit supporting financial documentation with progress and final reports identifying project costs incurred to date.
- **Grant Disbursements** – Grant funds shall generally be disbursed in no more than three payments, or as specified in the Grant Agreement. Disbursement requests shall identify all costs incurred to date. The Grantee may also be required by the Grantor to submit vendor price quotes, bids, cost estimates, or other supporting financial documentation for anticipated future project costs. Final disbursement of grant funds will not be made until the project is completed and all reports and documentation of project expenditures specified in the grant agreement, including copies of invoices documenting actual expenditures and proof of invoice payment, have been submitted to and accepted by MHAA.
- **Procurement Procedures** - Grant recipients are expected to ensure that costs for goods and services obtained to carry out the project are reasonable and customary for the type of work performed and materials procured.
  - 1) **Local governments:** Local government grant recipients shall follow their normal procurement procedures, and must be able to document that applicable procurement procedures were followed, if requested by the Grantor.
  - 2) **Non-profits:** Non-profit grant recipients shall utilize a procurement process that allows them to obtain project goods and services at reasonable and customary prices, and if requested by the Grantor, must be able to document that expenditures are reasonable and customary.
    - a) **Procurements greater than \$500 and less than \$10,000:** Grant recipients are strongly encouraged to obtain written bids from two or more vendors for any goods and services for which costs are expected to be **greater than \$500 but not more than \$10,000**.
    - b) **Procurements greater than \$10,000:** If costs for any goods or services are expected to **exceed \$10,000** written bids from at least 3 vendors must be obtained. Grant recipients must be able to provide documentation that at least 3 written bids were obtained, if requested by the Grantor
  - 3) When bids are obtained, grant recipients are not required to select the lowest bid, but must be able to provide documentation on why a vendor other than the low bidder was selected and what criteria other than the most favorable bid price were considered.

4) Sole-source procurement of goods and services should not be utilized unless there is a demonstrable and justifiable need and it can be demonstrated that competitive procurement is impractical because only one product or service vendor can meet specific project requirements. As with all procurements, expenditures must be reasonable and customary for the type of goods and services being obtained. If requested by the Grantor, grant recipients must be able to document project requirements that justified the sole source procurement and that expenditures are reasonable and customary for the goods and services obtained.

- Nondiscrimination - Each applicant shall comply with all applicable federal, state and local laws and policies and programs regarding drug, alcohol and smoke free work places, disabled access and equal opportunity for employment, housing, credit practices and prohibiting discrimination on the basis of race, color, creed, religion, national origin, gender, marital status, familial status or physical and/or mental disabilities in any aspect of the grant project.
- Acknowledgment - Grant recipients are required to provide appropriate acknowledgment of MHAA assistance for all projects in accordance with requirements outlined in the grant agreement. Grant recipients may also be required to provide appropriate acknowledgment of the local Certified Heritage Area management entity.
- Compliance Review - Recipients of funds for all capital projects (except those on which an easement has, or will be donated), and those non-capital projects that involve outdoor signage installation, archaeology or other ground disturbance will be subject to review by the Maryland Historical Trust (MHT) Project Review and Compliance Unit in compliance with *Sections 5A-325 and 5A-326 of the State Finance and Procurement Article* – see [http://mht.maryland.gov/projectreview\\_sponsors.html](http://mht.maryland.gov/projectreview_sponsors.html)). Recipients shall obtain MHT review of their preliminary concept plan or fifty percent design plan for the project to assess the project's effects on historical and archeological resources, and may be required as a condition of the MHAA grant award to revise their plans as needed, based on MHT comments, in order to ensure that the project avoids any adverse effects on significant historic and archeological properties. Applicants whose projects are subject to compliance review must attach a completed MHT "Project Review Form" to their MHAA Project Grant Application (see - [http://mht.maryland.gov/documents/PDF/Compliance\\_Forms\\_Projectreview.pdf](http://mht.maryland.gov/documents/PDF/Compliance_Forms_Projectreview.pdf)).
- Compliance with Applicable Laws – Recipients of funds are responsible for complying with all federal, state, and local laws applicable to the project. This responsibility includes, but is not limited to, compliance with local zoning, building and public safety codes, review by local historic preservation commissions, and federal and state licensing, permitting and environmental requirements.

## **APPENDIX C - SAMPLE MANAGEMENT BUDGET**

Use the budget sheet to prepare a realistic management budget. **The budget MUST address management components mentioned in the Summary Scope of Work and Project Timetable.** The following sample budget is provided to illustrate both the process and format MHAA management grant budgets must follow.

### **1. Calculate the total cash needs:**

Staff Salaries & Benefits	\$107,000
Telephone/Internet	\$6,000
Copier Rental	\$1,200
Office Supplies	\$1,800
Travel (2 conferences; mileage)	\$1,200
Workshops (\$5,000 x 2)	\$10,000
Newsletters (4 issues x 5,000 copies x 0.20/copy)	\$4,000
Annual Report (500 copies x \$4.00/copy)	\$2,000
Web Hosting (\$500/month x 12)	\$6,000
Fundraising Plan Consultant (\$50/hr x 278 hrs)	\$13,900
Mt. Vernon Walking Tour Map & Guide (Design \$2,500; Printing 10,000 copies x \$1.00/copy)	\$12,500
Visitor Impact Study Consultant (\$50/hr x 280 hrs)	\$14,000
Mini-Grants	\$20,000
<b>TOTAL CASH NEEDS:</b>	<b>\$199,600</b>

### **2. Calculate the available in-kind match:**

Visitor Impact Study Committee (40 hours x 10 people x \$20/hr)	\$8,000
Office Space Rental (\$2,000/month x 12 months)	\$24,000
Office Furniture Rental (\$250/month x 12 months)	\$3,000
<b>TOTAL IN-KIND CONTRIBUTION:</b>	<b>\$35,000</b>

### **3. Add the total cash needs and available in-kind match together to find the total project cost:**

**Total Project Cost:    \$199,600 + \$35,000= \$234,600**

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MHAA Grant Funds Available -	\$100,000
75% Require Cash Required Match -	\$75,000
25% Allowed In-Kind Match -	\$25,000
<b>Total Grant Funds &amp; Require Match -</b>	<b>\$200,000</b>

**Total Other Project Costs (Over Match)    \$34,600**

**Total Project Cost:    \$200,000 + \$34,600= \$234,600**

**4. Once a workable budget structure has been prepared, enter the line items on the budget page provided:**

Items should be organized by cost category so that similar costs are grouped together, regardless of whether they are cash or in-kind contributions. Rates of pay or similar cost breakdowns **MUST** be included in each line item. Attach any estimates you have obtained to support your budget.

**5. Finally, identify the sources of matching funds and in-kind contributions.**

## **APPENDIX D – PROOF OF NON-PROFIT STATUS**

### **Proof of nonprofit status (if applicable):**

If the Applicant organization is a non-profit organization, proof of non-profit status must be submitted. This should include:

- Articles of Incorporation
- By-laws
- Internal Revenue Service 501(c)3 approval letter (if applicable)